

Edwards Supports Bipartisan Legislation that Releases 70 Million Barrels of Oil from Strategic Petroleum Reserve To Help Lower Oil and Gas Prices

(WASHINGTON, DC) – U.S. Representative Chet Edwards today voted for H.R. 6578, the Consumer Energy Supply Act, which would temporarily release on the market 70 million barrels of oil from the Strategic Petroleum Reserve (SPR), to immediately expand available oil supplies, send a strong message to oil speculators, and help reduce the record prices that are helping push the economy toward recession.

“I strongly believe that with our nation at war, a faltering economy, and families and businesses seriously hurt by \$4.00 a gallon gasoline, now is the appropriate time to use the Strategic Petroleum Reserve to bring down oil prices,” said Edwards.

Specifically, the bill will potentially raise over \$750 million in revenues by exchanging more than 70 million barrels of light sweet crude oil for more than 70 million barrels of heavy crude – which is currently \$12 per barrel cheaper than light crude. In May, Congress and President Bush passed a new law that stopped the purchase of oil to fill the Strategic Petroleum Reserve for the remainder of the year unless oil drops below \$75 per barrels for 90 days. The SPR is currently 97 percent full, a record high of 701.3 million barrels of oil. Continuing to fill the SPR takes 70,000 barrels off the market each day.

For months, Edwards has advocated the additional step of releasing oil reserves from the SPR on the open market to help lower oil and gas prices. The SPR has been tapped or suspended before by President Bush, President Clinton, and the first President Bush and each time oil has been released the impact on prices has been dramatic and immediate. In 1991, oil prices immediately dropped by 33 percent the same day former President Bush released 17 million barrels of oil from the SPR. The 2000 exchange drove oil prices down by 19 percent. And the release by President Bush in 2005 resulted in a 9 percent drop in oil prices.

“By releasing oil from the SPR, we can also reduce the massive speculative profits being made in oil futures markets that could have an almost immediate impact in reducing gasoline prices at the pump. The speculators might not like it, but lower energy and gasoline costs would provide much-needed relief to hard hit families and businesses,” said Edwards.

The vote was 268 to 157 with 37 Republicans joining 231 Democrats in voting for the bill. However, as a suspension bill, it failed to receive the necessary two-thirds majority to pass.

Edwards serves on the House Energy and Water Appropriations Subcommittee.